

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
Caption in Compliance with D.N.J. LBR 9004-1(b)	
WOLLMUTH MAHER & DEUTSCH LLP Paul R. DeFilippo, Esq. 500 Fifth Avenue New York, New York 10110 Telephone: (212) 382-3300 Facsimile: (212) 382-0050 pdefilippo@wmd-law.com	
JONES DAY Gregory M. Gordon, Esq. Brad B. Erens, Esq. Dan B. Prieto, Esq. Amanda Rush, Esq. 2727 N. Harwood Street Dallas, Texas 75201 Telephone: (214) 220-3939 Facsimile: (214) 969-5100 gmgordon@jonesday.com bberens@jonesday.com dbprieto@jonesday.com asrush@jonesday.com (Admitted <i>pro hac vice</i>)	SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Allison M. Brown, Esq. One Manhattan West New York, New York 10001 Telephone: (212) 735-3222 Facsimile: (917) 777-3222 Email: Allison.Brown@skadden.com
<i>PROPOSED ATTORNEYS FOR DEBTOR</i>	<i>PROPOSED SPECIAL COUNSEL FOR DEBTOR</i>
In re: LTL MANAGEMENT LLC, ¹ Debtor.	Chapter 11 Case No.: 23-12825 (MBK) Judge: Michael B. Kaplan

**SUPPLEMENTAL CERTIFICATION OF ALLISON MEGHAN BROWN IN SUPPORT
OF APPLICATION FOR RETENTION OF SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP, EFFECTIVE AS OF APRIL 4, 2023**

¹ The last four digits of the Debtor's taxpayer identification number are 6622. The Debtor's address is 501 George Street, New Brunswick, New Jersey 08933.

I, Allison M. Brown, declare as follows:

1. I am a partner with the law firm of Skadden, Arps, Slate, Meagher & Flom LLP (the “Firm” or “Skadden”), One Manhattan West, New York, New York 10001. Skadden is representing LTL Management LLC (the “Debtor”), the debtor in the above-referenced matter, with respect to certain matters described in the Application (as defined below). Unless otherwise noted, I have personal knowledge of the facts set forth herein.

2. I submit this supplement (the “Supplemental Certification”) to *Certification of Allison M. Brown in Support of Application for Retention of Skadden, Arps, Slate, Meagher & Flom LLP, Effective as of April 4, 2023*, dated May 4, 2023 (the “Initial Certification”), in support of the *Application for Retention of Skadden, Arps, Slate, Meagher & Flom LLP, Effective as of April 4, 2023*, filed on May 4, 2023 (Docket No. 424) (the “Application”).

3. This Supplemental Certification addresses, among other things, questions and comments from the Office of the United States Trustee for Region 3 (the “U.S. Trustee”) on the Application.

4. None of the individuals or entities identified on Schedule 2 of the Initial Certification has accounted for more than 2 percent of Skadden’s total revenue in either 2021 or 2022.

5. In the one-year period preceding the Petition Date, Skadden billed Johnson & Johnson (“J&J”) and its non-Debtor affiliates in the amount of \$23,124,717.44 for legal services rendered. Over the same one-year period, Skadden received payments of \$23,843,756.13 from J&J and its non-Debtor affiliates.² The foregoing amount represents Skadden’s remuneration for

² The payments received are greater than the amount billed during this period because some payments were applied against bills from prior periods that were still outstanding.

all work the firm had completed for J&J during the period, and includes significant time unrelated to Skadden's talc-related work for J&J.

6. The names, positions, and current hourly rates of those Skadden professionals expected to work for the Debtor during the pendency of the Chapter 11 Case are set forth in Schedule 1 attached hereto.

7. Skadden intends to provide services to the Debtor as special counsel in connection with the trial of the case brought by Anthony Valadez against Debtor and Johnson & Johnson.³ Consistent with numerous prior cosmetic talc trials, J&J and the Debtor requested that Skadden's legal services for this trial be billed as a flat fee in an effort to reduce the amount of legal fees. Further to this request, Skadden has agreed to charge J&J and the Debtor a flat fee of \$2,000,000 for all pretrial legal work and a flat fee of \$2,500,000 for the trial itself (consisting of 30 days of trial, with the amount prorated if the period is less or greater than 30 days). The Debtor will be responsible for 50% of the flat fee, consistent with the allocation of other joint services. In addition, J&J will pay a success fee of 20% of the total flat fee if a defense verdict is reached, for which J&J reserves the right to seek indemnity from LTL. Skadden will maintain detailed, contemporaneous time records that reflect all activities undertaken and the total time spent per day by each timekeeper. Skadden intends to bill all other legal services on an hourly basis.

8. The following is provided in response to the request for additional information set forth in ¶ D.1 of the Fee Guidelines.

Question: Did Skadden agree to any variations from, or alternatives to, its standard or customary billing arrangements for this engagement?

Answer: Yes. The billing rates Skadden will charge to the Debtor during the Chapter 11 Case are the same as the billing rates charged to J&J more generally, which are

³ *Valadez v. Johnson & Johnson*, No. 22CV012759, Superior Court of California, Alameda County (Oakland).

significantly discounted from Skadden's standard, market rates. The Debtor will also receive the benefit of the discounted flat fee that J&J negotiated with Skadden for the *Valadez* trial. As a result, the Debtor will receive a significant discount benefit as a result of the Firm's specific billing arrangement with J&J.

Question: Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

Answer: No.

Question: If Skadden represented the Debtor in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have changed post-petition, explain the difference and the reasons for the difference?

Answer: Skadden previously worked for the Debtor during its prior bankruptcy. The billing rates for the Skadden professionals who worked for the Debtor during the 12 months prepetition ranged from \$976 to \$1,195 for partners, \$857 to \$967 for counsel, \$373 to \$872 for associates, and \$132 to \$322 for paraprofessionals.

Question: Has the Debtor approved your prospective budget and staffing plan, and, if so, for what budget period?

Answer: The Debtor has not requested that Skadden provide a prospective budget and staffing plan. Skadden understands that the Debtor does have a budgeting process for matters in the ordinary course, including this Chapter 11 Case. Skadden understands that the law firm of Jones Day submits a budget for the Chapter 11 Case to the Debtor, and such budget would include all the professionals involved in this case. Jones Day is further required to monitor all costs and update the budget on a quarterly basis. However, per the U.S. Trustee's request, Skadden will prepare and submit a separate prospective budget and staffing plan to the Debtor in connection with filing Skadden's first interim fee application.

I certify under penalty of perjury that the above information is true.

Date: June 16, 2023

/s/ Allison M. Brown

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SCHEDULE 1

Schedule of Skadden Individuals

<u>SKADDEN INDIVIDUALS AND RATES</u>		
NAME	POSITION	HOURLY RATE
Richard Bernardo	Partner	\$1,595.00
Allison Brown	Partner	\$1,356.00
Jessica Davidson	Partner	\$1,595.00
Geoffrey Wyatt	Partner	\$1,464.00
Christopher Cox	Partner	\$1,128.00
Jordan Schwartz	Counsel	\$1,128.00
Nancy Wuamett	Counsel	\$1,040.00
Anthony Balzano	Associate	\$820.00
Prue Brady	Associate	\$440.00
Kelsey Byler	Associate	\$925.00
Joseph Caruso	Associate	\$440.00
Sydney Cogswell	Associate	\$550.00
Jordan Einstein	Associate	\$440.00
Andrew Karp	Associate	\$915.00
Zachary Martin	Associate	\$915.00
September McCarthy	Associate	\$550.00
Catherine Mullaley	Associate	\$820.00
Brian Baggetta	Staff Attorney	\$476.00
Stephanie Martin	Paralegal	\$335.00